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GUS-0148
Copy 1 of 3
4 March 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Approval of Amendment No. 2 to Letter Contract [redacted]
with Marquardt Aircraft Company, Van Nuys, California,
Project GUSTO

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1. This memorandum contains a recommendation submitted for approval of cognizant personnel listed below. Such recommendation is set forth in Paragraph 5.

2. Letter Contract No. JM-1926 [redacted] is for the procurement of design engineering, studies and tests of a ramjet engine suitable for installation in the GUSTO Vehicle as proposed by Convair, Fort Worth. This initial phase is expected to take 4½ months and at an estimated cost of \$1,500,000. A total of \$500,000.00 was obligated under the Basic Letter Contract.

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3. Amendment No. 2 to the subject contract increases this obligation by \$500,000.00 or a new total of \$1,000,000.00 is now available to the Contractor to cover his expenditures and commitments. Authority for this Program is contained in Program Approval (GUS-0103) for Project GUSTO. By concurrence to this memorandum the Comptroller signifies that sufficient funds are available for this additional obligation.

4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all 8(b) expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, for each contract.

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5. Approval of Amendment No. 2 to Letter Contract No.
and execution thereof on behalf of the Agency by the authorized
Contracting Officer is recommended.

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APPROVED:

3/5/59

Comptroller, DPD-DD/P

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Office of General Counsel

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